

FEDERAL SMALL BUSINESS OFFICIALS, DBED SECRETARY KICK OFF MARYLAND'S CREDIT CONNECTIONS WORKSHOPS

BALTIMORE, MD (September 29, 2010) – U.S. Small Business Administration Deputy Administrator Marie Johns and U.S. Treasury Deputy Assistant Secretary Don Graves today joined Maryland Department of Business and Economic Development (DBED) Secretary Christian S. Johansson, Maryland bank CEOs, business leaders and educators at the Federal Reserve in Baltimore to kick off *Credit Connections 2010*, a series of workshops for Maryland lenders statewide that will run through November. The workshops provide specialized training for commercial lenders on what State and federal financing programs exist and how local lenders can use those programs to help small businesses access loans, lines of credit and other financing. In addition to the Federal Reserve, workshop partners include the Maryland Bankers Association, Risk Management Association, U.S. Small Business Administration, U.S. Department of Agriculture, and the Maryland Department of Housing and Community Development. For more information on the workshops and dates/locations of where they are being held, please visit www.ChooseMaryland.org.

“I was happy to participate in the kickoff of the Credit Connections workshop. These events are a great opportunity for lenders to learn about the tools and resources available to help them put more capital in the hands of small businesses,” SBA Deputy Administrator Johns said. “The Small Business Jobs Act, signed by the President earlier this week, provides even more tools, including enhancements to our loan products that can help small businesses and entrepreneurs whether they are in startup phase or looking to take that next step to expand and create jobs.”

“The State of Maryland and our federal partners have a number of financing programs and lending tools that can help unlock much-needed credit for our small businesses, but we need to better educate our lenders that these critical programs are out there,” said Secretary Johansson. “The Credit Connection workshops are another important initiative in Maryland to help restore the flow of credit to our small businesses so they can grow and create jobs.”

Earlier this week, Governor O'Malley and Secretary Johansson joined President Barack Obama at The White House East Room for the signing of the Small Business Jobs Act of 2010 (H.R. 5297). Governor O'Malley was invited to attend the signing in recognition of the leadership role the O'Malley-Brown Administration played in helping craft an important provision in H.R. 5297 – the \$1.5 billion State Small Business Credit Initiative (SSBCI), which will expand the capacity of small business loan guarantee programs that 34 states and U.S. territories have currently. The SSBCI is based in part on Maryland's MIDFA loan guarantee program, which has helped to leverage more than \$2.2 billion of private sector financing over the years for Maryland businesses.

As part of today's kick off, several local bankers participated in a roundtable to discuss the current access to credit challenges for businesses. Panelists included Tom Alessi of New

Windsor State Bank, Darius Davis of The Harbor Bank of Maryland and Sterling Shuman of M&T Bank. The panel was moderated by Sonja Wells of M&T Bank.

“Credit Connections will benefit bankers by making them aware of the various financing programs they can use, put them in an environment to share ideas and experiences with their peers and help them become better lenders,” said Darius Davis, Executive Vice President of The Harbor Bank of Maryland. “The steep decline in real estate values during this economic cycle has created collateral shortfall issues for many borrowers. Maryland’s MIDFA loan guaranty program helps to fill the collateral shortfall gap and has led to an increase in our small business lending.”

I see the Credit Connections program as a way for lenders to sharpen the tools in their credit toolbox,” said Tom Alessi, Senior Vice President for New Windsor State Bank.

In the past year, the O’Malley-Brown Administration has put in place a number of new and expanded programs to create jobs, retain jobs and improve the conditions that allow businesses large and small to create and save jobs, including:

- Pioneering the Jobs Creation and Recovery Tax Credit;
- Expanding the Small Business Loan Guaranty program to increase access to credit; and
- Creating InvestMaryland, an administrative and legislative proposal designed to support the growth of the state’s knowledge based industries by stimulating investment in the Maryland Venture Fund.

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